VZCZCXYZ0006 RR RUEHWEB

DE RUEHJA #0649 0920916 ZNR UUUUU ZZH R 010916Z APR 08 FM AMEMBASSY JAKARTA TO SECSTATE WASHDC 8518

UNCLAS JAKARTA 000649

SIPDIS

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DEPT FOR EAP/IET, PM/DTCC/BLUE LANTERN COORDINATOR - TIM WATKINS

E.O. 12958: N/A

TAGS: KOMC ETTC ECON ID

SUBJECT: RESULT BLUE LANTERN CHECK ON LICENSE 050064977, 050060383,

AND 050053797

REF: SECSTATE 00017167

11. We contacted Indonesian Air Force CN-235 Procurement Division Lieutenant Colonel (LTC) Eddy Supriono on March 25, 2008 to verify transaction numbers 050064977, 050060383, and 050053797. The Indonesian Air Force (IAF) does not have direct contact with U.S. based Fatair Inc. According to Supriono, the business transaction took place through local supplier PT. Putra Candra Lestari (PCL), which is a registered supplier of IAF. The majority of IAF supply transactions utilize an Indonesian-based company, which in turn contracts with foreign suppliers. In this case, PCL purchased parts on behalf of IAF from Fatair.

12. Supriono confirmed that IAF received the items detailed in reftel in full for license numbers 050053797 and 050060383 and that the goods are being used for the purpose as stated on the licenses. LTC Supriono said that there is no shipment yet for license 050064977 and that it is a "blanket export license order". The blanket license, according to Supriono, is for a future order. He said PCL will forward more funds to Fatair for the upcoming contract. Once an order from IAF is confirmed, PCL will send a wire-transfer of the funds to Fatair and the export license will already be available in order to speed up the process.

HUME